



Mail Service Business Line
FISCAL YEAR 2001 – 2005 PLAN

Executive Summary

This Business Plan describes the history, organization, planning, objectives, and operations of the Mail Service Business Line in the Department of Energy's (DOE) Working Capital Fund (WCF), and is organized according to Balanced Scorecard (BSC) planning concepts. This plan uses the trends and lessons learned from the WCF's first five years of operation to meet DOE and Office of Management and Administration (MA) strategic goals, and describes performance measures that will result in a more efficient and more customer-oriented Business Line.

The Mail Service Business Line provides a variety of mail services for all official and other authorized mail for DOE and its employees. The Mail Center provides a variety of mail services for all official and other authorized mail for DOE and its employees. The services provided include the processing of all incoming postal mail, outgoing official mail, internal mail processing, and special services including: accountable mail processing, pouch mail, a variety of overnight express mail services, directory services, and pick-up and delivery services.

Mission: To provide for the processing of all incoming postal mail.

Vision: Provide cost-effective mail services that meet changing needs and exceed customer expectations.

Balance Score Card Objectives:

- **Customers:** Reduce the amount of time to process and deliver internal mail.
- **Financials:** Reduce customer's mailing costs by utilizing presort mail rates.
- **Internal Processes:** Maintain the highest security standards for incoming, outgoing, and internal mail distribution.
- **Learning and Growth:** Enhance the effectiveness, knowledge, and satisfaction of Mail Service Business Line employees.

Accomplishments

The following are some of the accomplishments of the Mail Service Business Line:

- Discontinued \$2.18 handling charge for Express Service.
- No assess charges for National Pouch mail for three years.
- No assess charges for common mail stops for past three years.
- Reduced the cost of a mail stop from \$13,661 to \$9,500.
- Found vendors that can have express same day mail delivery to most major cities, and two days to some international countries service.
- All USPS—United States Postal Service payment are made electronically or with a Credit Card.
- Offer discount service costs for 1st Class letters and bulk Standard A (500 minimum).

Introduction

The purpose of the Mail Services Business Line is to provide an environment in the operations of the mail services to the best possible satisfaction of the organizations at DOE within the limits of the Working Capital Fund. The DOE Mail Center provides a variety of mail services for all official and other authorized mail for DOE and its employees. The services provided include the processing of all incoming postal mail, outgoing official mail, internal mail processing, and special services including: accountable mail processing, pouch mail, a variety of overnight express mail services, directory services, and pick-up and delivery services. Mail Centers are found at the following locations:

- Forrestal Building—Room GL-084:
1000 Independence Avenue, SW
Washington, DC 20585
- Germantown Building—Room E-066:
19901 Germantown Road
Germantown, MD 20874
- 270 Corporate Center—Room 1003:
20300 Century Boulevard
Germantown, MD 20874

Planning Process: The key performance objectives of the business line are:

- To improve procedures for billing;
- With advancement in technology and budget constraints, continue to reduce costs of a mail stop;
- Seek more vendors that can express same day mail delivery to most major cities, and two days international;
- Resolve any outstanding issues;
- Evaluate replacement versus costly repairs versus inefficient, obsolete equipment;
- Continue to obtain state-of-the technology and equipment; and
- Benchmark with other federal and local government agencies and private companies to stay current with any Mailing changes, advancements and improvements.

Environmental and competitor analysis: Many Program Offices are identifying methods to reduce their mailing costs. An immediately available method is to increase the use of electronic mail. Although electronic mail cannot replace the need for, and versatility of, mailing services, it is clear that the information age has given customers more tools to meet their communication needs. The Mail Service Business Line has identified presort mailing as a market area where our knowledge and expertise can be utilized to provide cost effective services to our customers that is not otherwise available. The Mail Service Business Line has begun planning to provide more comprehensive, lower cost presort mailing options for its customers.

External regulation and partnerships: The Mail Service Business Line is dedicated to utilizing vendors mandated by the Javits, Wagner, O'Day Act (National Institute of the Blind, and National Institute of Severely Handicapped), as well as the General Services Administration. The Business Line also supports economically and socially disadvantaged firms in the Small Business Administration program.

Resources and capabilities of the organization: The management team is comprised of individuals whose backgrounds consist of over 45 years of corporate knowledge in mail services. In addition to the management team, the support services contractors form a major resource available to the Mail Service Business Line. DidLake Inc., a contractor resource, provides support and management services for the Mail Service Business Line.

Needs and capabilities of customers: Our customers validate key information, such as the number of mail stops, at the beginning of each fiscal year and pay an annual mail stop cost of \$9,500 per stop. We then work with the customer to adjust these charges, if necessary, on a semi-annual basis. United States Postal Service charges are billed monthly, based upon prior month actual usage.

Future competitive advantages: The Mail Service Business Line plans to achieve cost savings by teaming with other agencies in combining outgoing mail. Such teaming arrangements will allow the business line to obtain lower mailing rates than would be possible based on current bulk mail items.

Balance Score Card Elements

Customer Objective: Reduce the amount of time to process and deliver internal mail.

The business line is continuously evaluating methods to reduce processing and delivery time. This includes new sorting methods, optimizing delivery routes, and procuring new sorting equipment.

Performance Goal	Performance Standard
Improve customer service	Zero customer complaints regarding on-time delivery of mail.

Baseline:

1998 HR Customer Satisfaction Survey

Customer Satisfaction Responses (A total of 470 responses received)

RESPONSE	NUMBER RESPONDING	PERCENT
Very dissatisfied	4	1%
Dissatisfied	37	8%
Neutral	73	16%
Satisfied	261	56%
Very satisfied	76	16%
Don't know	19	4%

Strategies for Improving Customer Satisfaction	Fiscal Year				
	2001	2002	2003	2004	2005
Conduct customer survey	x	x	x	x	x

Financial Objective: Reduce customer's mailing costs by taking advantage of reduced rates for presorted mail.

Presort is the process by which a mailer prepares mail so that it is sorted to the finest extent required by the standards for the reduced rate claimed. Presort rates are discounted from "single-piece" rates. "Single-piece" means that you pay the full postage rate; when you put a 34-cent stamp on a letter, you're paying single-piece rate. Many mailers pay single-piece rates even though they are doing large mailings because they don't want to do any extra preparation work. They don't have the time, or it's just not cost effective.

The Postal Service offers discounts for presort mailings because you do some of the work that otherwise would have to be done by the Postal Service (for example, sorting the mail by ZIP Code or transporting the mail to a different postal facility).

The Mail Service Business Line is committed to working with our customers to identify ways that they can take advantage of discounted mail rates. This could mean combining the mail from several offices to meet the minimum requirements for bulk rates or employing other cost saving strategies.

Performance Goal	Performance Standard
Reduce mail costs for program offices by utilizing presort mail rates.	Increase the use of presort mail services.

Baseline:

FISCAL YEAR	NUMBER OF OFFICES USING BULK MAIL SERVICES
1999	4
2000	4

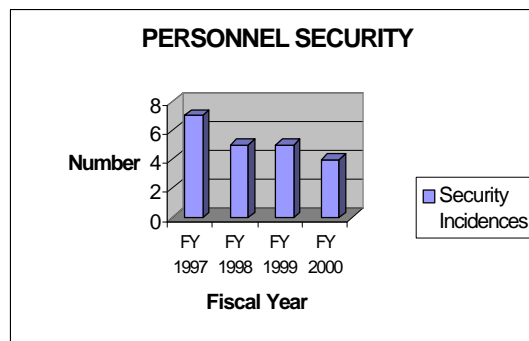
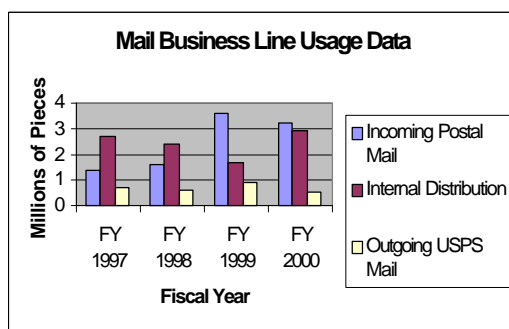
Strategies for Improving Financial Efficiency	Fiscal Year				
	2001	2002	2003	2004	2005
Review customer needs to identify needs and requirements related to domestic and international mail.	x	x	x	x	x

Internal Processes Objective: Maintain the highest security standards for incoming, outgoing, and internal mail distribution.

A security incident is defined as an occasion when business line staff have to open mail to check its contents or when business line staff have to contact DOE security personnel or others to check a suspicious letter or package. Because safety and mail security are top priorities of the Mail Service Business Line, all mail staff are trained on security issues. We believe that a well-trained and educated work force is the first line of defense, and also the most efficient and cost effective.

Performance Goal	Performance Standard
Improve personnel safety	Establish improved sensing/ID processes for incoming mail.

Baselines:

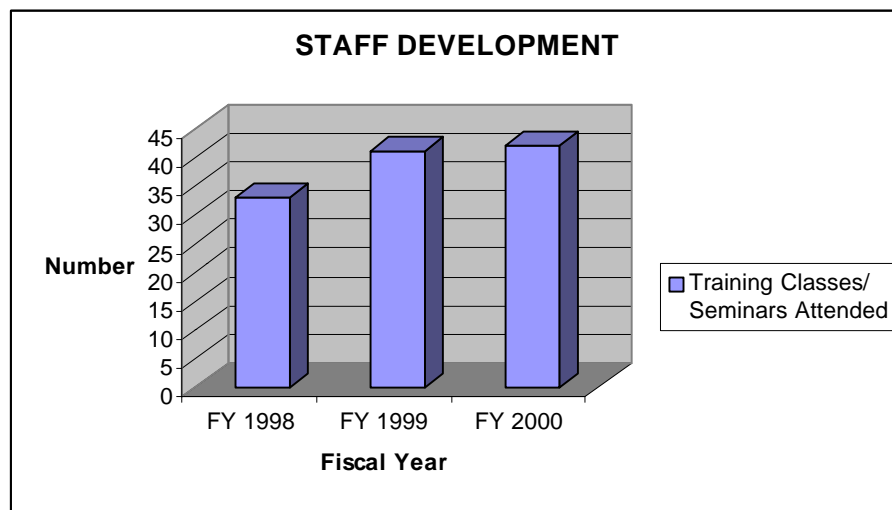


Strategies for Improving Internal Processes	Fiscal Year				
	2001	2002	2003	2004	2005
Attend training focused on mail safety and security	x	x	x	x	x
Benchmark internal processes against other federal agencies	x	x	x	x	x

Learning and Growth Objective: Improve the skills of all staff

Well-trained and highly skilled staffs are better equipped to provide outstanding service to the business line's many customers. To achieve this, the business line will develop and implement a comprehensive training program that exposes staff to classes on computers, mailing equipment and best practices in the postal industry.

Performance Goal	Performance Standard
Fully train and develop staff	100% of staff attend at least 1 class or seminar per quarter. 100% of federal staff have IDPs.

Baseline:

Strategies for Improving Employee Learning and Growth	Fiscal Year				
	2001	2002	2003	2004	2005
Develop specialized training schedules for each employee	x	x	x	x	x